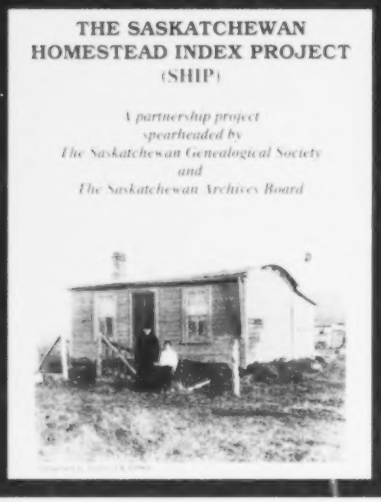
Saskatchewan Heritage FOUNDATION



ANNUAL REPORT

2003 – 2004

Board of Directors' Tours

June 2003 Board Meeting
Addison Sod House National Historic Site, northeast of Kindersley

March 2004 Board Meeting
Alexander/Stebner Residence - Saskatoon

105-00350/

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Letters of Transmittal

To Her Honour
The Honourable Dr. Lynda M. Haverstock
Lieutenant Governor of the Province of Saskatchewan
Government House
4607 Dewdney Avenue
Regina, Saskatchewan
S4P 3V7

Your Honour:

I have the honour to submit the Annual Report of the Saskatchewan Heritage Foundation for the year ending March 31, 2004.

Respectfully submitted,

Joan Beatty
Minister in Charge

To The Honourable Joan Beatty
Minister of Culture, Youth and Recreation
Room 345
Legislative Building
Regina, Saskatchewan
S4S 0B3

Dear Madam:

It is my pleasure to submit the Annual Report of the Saskatchewan Heritage Foundation for the year ending March 31, 2004.

Respectfully submitted,

Dr. J. William Brennan
Chairman, Board of Directors

Saskatchewan Heritage Foundation
Board of Directors and Administrative Staff

Board of Directors:

Dr. Bill Brennan
Chairman

Sherry Farrell Racette

Ingrid Cazakoff

Elinor Hjertaas

Glenda James

Harry Jedlic, F.R.A.I.C.

Dr. Margaret Kennedy

Administrative Staff:

Garth Pugh
Manager

Suzanne Pambrun
Grants and Finance
Administrator

Frank Korvemaker
Research and
Restoration Advisor

Erin Ermel
Administrative
Assistant (Temp)

Introduction

The Saskatchewan Heritage Foundation was established in 1990 through an Act of the Provincial Legislature, and proclaimed on Heritage Day – February 18, 1991. To March 31, 2004, the day-to-day operations of the Foundation were administered by the Heritage Resources Unit of Saskatchewan Culture, Youth and Recreation.

Mandate

The principal mandate of the Heritage Foundation is to provide cost-shared financial support, through five different grant programs, to community-based groups and individuals who seek to conserve, restore, develop, interpret and promote Saskatchewan's diverse heritage resources. The Foundation is also mandated to acquire and manage real and moveable property in the name of the Crown, through purchase and issuance of tax receipts to donors, and to accept donations of cash monies, property and other bequests.

Board of Directors

The affairs of the Foundation are directed by a board of private citizens, consisting of not less than seven and not more than fifteen persons, appointed by the Lieutenant Governor in Council and drawn from communities across the province. For the year under review, the Foundation Board complement remained at the minimum number of seven. Dr. J. W. Brennan of Regina continues to serve as Chairman of the Board.

Funding

Funding for grants awarded by the Foundation in 2003-04 was received through a grant ($345,000) from the Province's general revenue fund. Also, some grant funds committed in previous years, but not claimed, were reallocated.

In 2002 the Heritage Foundation received $79,245 from the J. M. Kaplan Fund, a family foundation based in New York state. In this instance, the Fund promotes restoration of historic structures in the Great Plains region of North America. The Saskatchewan portion of this region covers the area south of the parkland belt. A total of $40,050 Kaplan dollars were awarded in 2002-03 to 17 projects; an additional $34,395.00 was awarded to 11 projects in 2003-04. Over a two-year period, these funds have allowed the Heritage Foundation to expand its historic building restoration program, particularly with respect to designated older churches. Other sites, including railway stations, farm buildings, a former flour mill, a former land titles building, a water tower, a court house and a rural fire hall also benefited from this partnership.

Summary of Achievements

As in previous years, a significant portion of the grant funds allocated in 2003-04 were directed to the retention and rehabilitation of heritage buildings and structures formally designated under *The Heritage Property Act* as either Provincial or Municipal Heritage Property.

Some of the sites funded this year include the Fred Light Museum (Town of Battleford), Shiloh Baptist Church (RM of Eldon), Broadway Theatre (Saskatoon), Gravelbourg Town Office (Court House), Humboldt Museum (Post Office), Rabeau Hardware Store Building (Carnduff), Ridgedale United Church, Swanson Barn (RM of Willowdale), Symons Oil Can Factory (Rocanville), St. John the Evangelist Ukrainian Catholic Church

(Prud'homme), CornerStone Place (Melville), the Hayward School complex (RM of Lipton), the Canada Life Assurance Building (Regina), and the Kerrobert Library (Bank of Commerce), to name a few.

The Foundation also supported a number of non-structural projects. Varying levels of funding were approved for: radiocarbon dating of materials associated with two Aboriginal burials; the Aguda Israel Oral History Project; identifying and mapping archaeological sites in the Buffalo River Dene Nation – Peter Pond Lake area in NW Saskatchewan; researching aspects of the history of the operation of the former provincial mental hospital in Weyburn; developing and printing walking tours for Shaunavon and Wolseley; developing a website for the Archives de Bellevue Website; developing research materials relating to the adhesion in 1879 of Chiefs Little Pine and Lucky Man to Treaty #6; producing a video on the accomplishments of the Ernie Richardson curling team; researching the history of Railway Avenue Hotels in small town Saskatchewan; and computerizing a comprehensive index of Saskatchewan homestead records currently held in the Saskatchewan Archives Board.

Donations / Acquisitions

During the year, a number of individuals donated miscellaneous artifacts and other items to the Heritage Foundation, and also to the Foundation's Claybank Brick Plant project.

Qu'Appelle Apartments - Regina

Donated windows from the Qu'Appelle Apartments

Grant Programs / Project Funding

Heritage Research and Resource Studies

The program provides financial assistance for conducting inventories of, or undertaking in-depth research studies on, various aspects of Saskatchewan's heritage, particularly in the areas of archaeology, architecture, paleontology, history and natural history. Assistance is also available to study heritage resources within a given geographic area or facility and to produce reports which outline various options for management of these resources.

Eight projects were approved this year.

Recipient	Project	Grant
Dr. Ernest Walker University of Saskatchewan	Radiocarbon Dating Two Aboriginal Burials	$ 2,000.00
Ms. Jennifer Harty University of Saskatchewan	Late Pre-Contact Culture Change as Reflected in Pottery and Lithics from the Tipperary Creek Site, Wanuskewin Heritage Park	$ 2,000.00
Congregation Agudas Israel Saskatoon	Agudas Israel Oral History Project	$ 3,000.00
Ms. Simone Hengen University of Regina	Saskatchewan Hospital, Weyburn Oral History and Folklore	$ 1,250.00
Buffalo River Dene Nation	Peter Pond Lake Heritage Resources Survey	$ 6,000.00
Dr. Alexander H. Paul and Mr. Todd Radenbaugh	"Railway Avenue Hotels of Small Town Saskatchewan"	$ 4,000.00
Cooper Rock Pictures Inc. Regina	"The Curling Richardsons" - Documentary	$ 5,000.00
Ms. Korrina Moroz-Stadnyk University of Saskatchewan	Marr Residence, Archaeological Investigation Saskatoon	$ 2,000.00
Total Awards		**$ 25,250.00**

"The Curling Richardsons"

Archaeological excavations at the Marr Residence in Saskatoon.

Heritage Conservation Projects

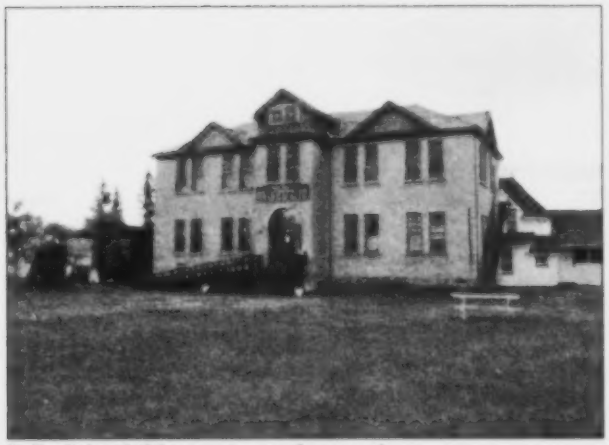
Heritage resources, from small objects and paper fragments to archaeological sites and large buildings, require specialized treatment to ensure their long-term conservation. This program provides financial assistance to conserve many different kinds of heritage resources, including artifacts, documents, photographs, film, buildings, structures, sites and heritage conservation districts.

The J.M. Kaplan Fund, a philanthropic agency based in New York, provided a grant of $79,245 (CDN) in 2002, for restoration of rural churches and other historic sites within Saskatchewan's portion of the Great Plains. As a result of this generous support, additional funding was provided to a number of projects over the past two years which might otherwise have been rejected, or funded at a significantly lower level. Projects supported by the Kaplan Fund are marked with an asterisk after the grant allocation, and the amount of the Kaplan contribution is noted for each project.

Twenty-eight projects were approved this year.

Recipient	Project	Grant
Radville Senior Citizens Club	Princess Theatre (Senior Citizens Clubhouse) (SHF $2,000; Kaplan $2,000)	$ 4,000.00*
Town of Battleford	St. Vital School (Fred Light Museum)	4,000.00
Shiloh Baptist Church & Cemetery Restoration Society	Shiloh Baptist Church Heritage Site (SHF $10,000; Kaplan $10,000)	20,000.00*
Friends of the Broadway Theatre Inc.	Broadway Theatre, Saskatoon	5,000.00
Kamsack Playhouse Inc.	Capitol (Playhouse) Theatre (SHF $1,500; Kaplan $1,500)	3,000.00*
Emmanuel Lutheran Heritage Church Committee	Emmanuel Lutheran Church near Craven (SHF $4,000; Kaplan $4,000)	8,000.00*
Town of Gravelbourg	Court House (Town Office)	3,000.00
Humboldt & District Museum And Gallery	Humboldt Post Office (Museum)	5,000.00
T.C. Douglas Calvary Centre Corporation	Calvary Baptist Church, Weyburn (T.C. Douglas Calvary Centre)	4,000.00
Town of Battleford	Gardiner Presbyterian Church (SHF $2,500; Kaplan $2,500)	5,000.00*
Golden Plains School Division	Convent of Jesus and Mary Elementary School, Gravelbourg	10,000.00
Ms. Faye Walker	Rabeau Hardware Store, Carnduff (SHF $2,350; Kaplan $2,350)	4,700.00*
Ridgedale United Church	Ridgedale United Church Congregation, Village of Ridgedale (SHF $3,400; Kaplan $3,400)	6,800.00*
Assumption of St. Mary's Parish	Assumption of St. Mary Church, RM of Sliding Hills (SHF $1,100; Kaplan $1,100)	2,200.00*

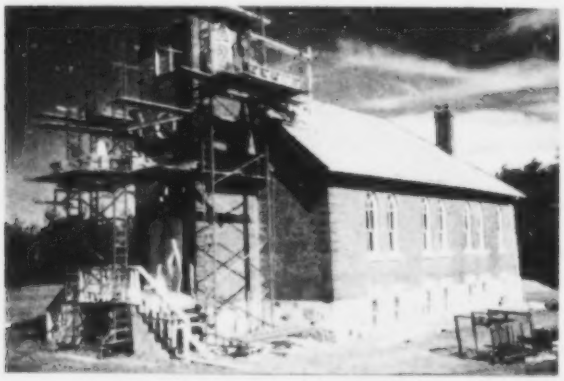
Recipient	Project	Grant
Mr. Lawrence Swanson	Swanson Barn (SHF $4,500; Kaplan $4,500)	9,000.00*
Balgonie Heritage Committee	Presbyterian Church (SHF $3,330; Kaplan $1,170)	4,500.00*
Fort Pelly – Livingstone Museum	Pelly School (Museum)	5,000.00
Mr. Dennis & Ms. Joan Hack	Symons Oil Can Factory, Rocanville	15,000.00
Village of Richard	Amiens CNR Freight and Passenger Shelter	600.00
St. John the Evangelist Ukrainian Catholic Church	St. John the Evangelist Ukrainian Catholic Church restoration, Prud'homme	5,000.00
Ms. Donna Gadica	CornerStone Place, Melville	3,000.00
Ms. Autumn Downey	McLellan Law Office, Arcola	500.00
Town of Kerrobert	Bank of Commerce	2,000.00
St. Mary's Roman Catholic Church Restoration Committee	St. Mary's Roman Catholic Church, RM of Buchanan	5,000.00
Investors Group Trust Company Ltd.	Canada Life Assurance Building, Regina	20,000.00
Lestock & District Recreation Board	Lestock School Historic Photo Restoration	500.00
St. Andrew's Anglican Congregation	St. Andrew's Anglican Church, Key First Nation (SHF $1,875; Kaplan $1,875)	3,750.00*
Deep South Pioneer Museum	Federal Grain Elevator, Horizon	14,000.00
Total Awards		**$ 172,550.00**



Pelly School (Museum) – roof restoration

Bank of Commerce (Library) - Kerrobert

Selected Foundation / Kaplan Fund Restoration Projects



Emmanuel Lutheran Heritage Church, RM of Lumsden

Kamsack Playhouse Restoration

Swanson Barn Restoration – Whitewood

Gardiner Church Roof Restoration - Battleford

Former Presbyterian Stone Church – Balgonie

Shiloh Baptist Church – RM of Eldon

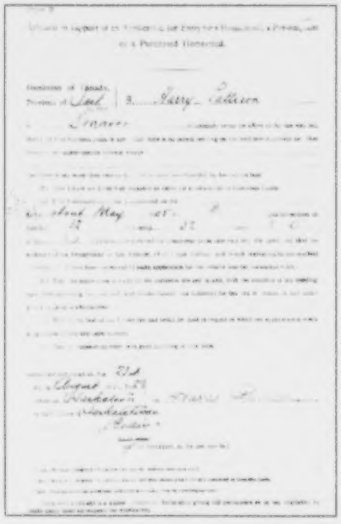
Heritage Promotion and Education Projects

Provides financial assistance for undertaking studies to promote heritage resources in a community or region, or to develop educational heritage programs. Projects in this category may also include the production of posters, brochures, walking/driving tour guides, audio/visual presentations, and conferences, seminars and workshops relating to Saskatchewan's history and prehistory.

Nine projects were approved this year.

Recipient	Project	Grant
Grand Coteau Heritage & Cultural Centre	Heritage Walking Tour Brochure Shaunavon	$ 1,200.00
Town of Wolseley	Heritage Walking Tour, Wolseley	1,800.00
Archives de Bellevue Inc. St. Isidore de Bellevue	Archives de Bellevue Website	5,000.00
Little Pine First Nation	Little Pine and Lucky Man Treaty Adhesion Phase 2 – Documentary Video	7,500.00
Saskatchewan Genealogical Society	Saskatchewan Homestead Index Project	10,000.00
Weyburn Tourism Committee	Weyburn Self-Guided CD Heritage Tour	850.00
Saskatchewan Archaeological Society	Avocational Archaeology Education Course Development	1,500.00
Saskatoon Tribal Council	Cultural Experience Outdoors	7,500.00
Regina Metis Women 1995, Inc.	"Arts and Culture Sub-Stream" Metis Women & Youth Conference	7,500.00
Total Awards		**$ 42,850.00**

Shaunavon Walking Tour Brochure



Homestead Index Project
Saskatchewan Genealogical Society

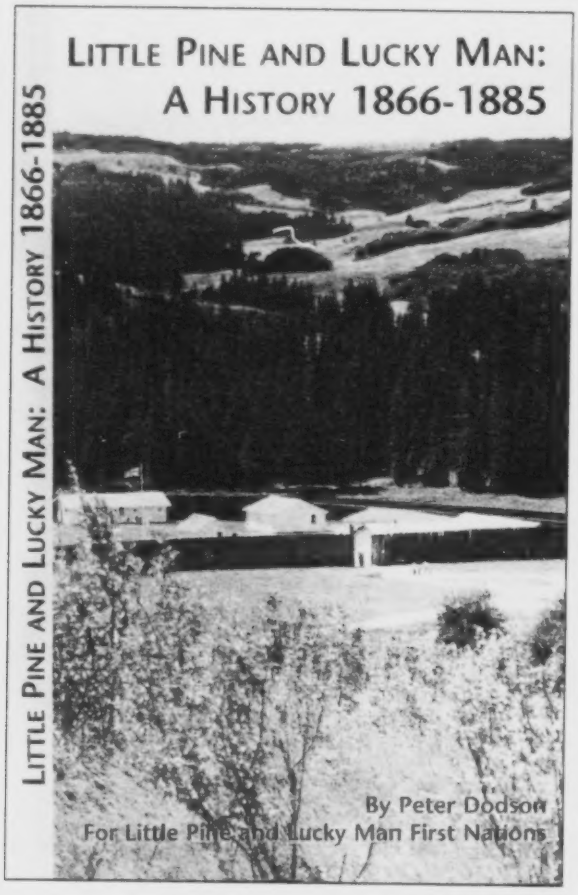
Crocus Self-Guided Tour
Weyburn

Special Heritage Projects

To develop innovative ways of addressing key issues in heritage conservation in Saskatchewan, the Heritage Foundation is interested in supporting and partnering in projects that develop or experiment with new approaches, ideas or techniques. This program will enable the Foundation, in concert with other government agencies, non-profit organizations, municipalities and individuals to adopt a pro-active position on important issues relating to both the cultural and natural heritage of the province.

One project was approved this year.

Recipient	Project	Grant
Lucky Man Cree Nation	Little Pine and Lucky Man Treaty Adhesion Research Project	$ 7,500.00
Total Awards		**$ 7,500.00**

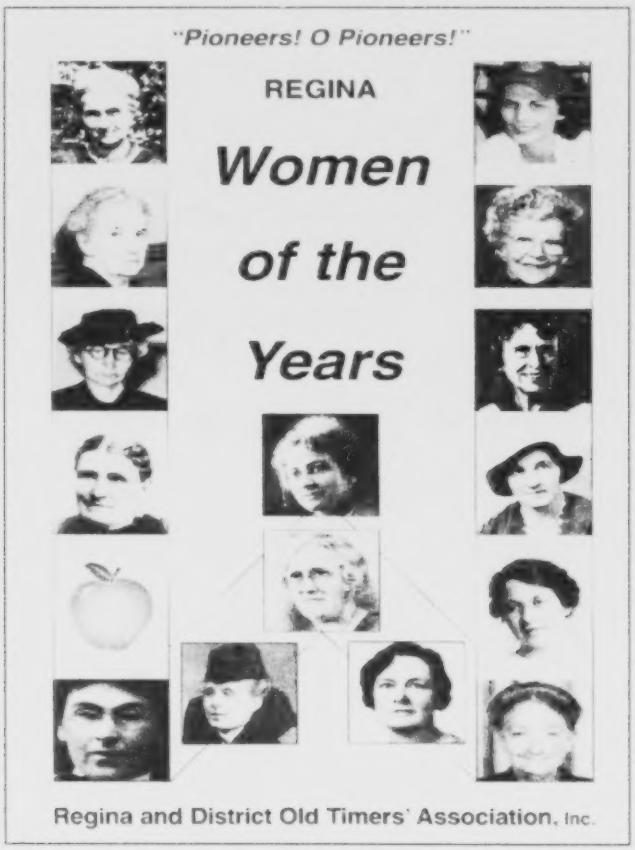

LITTLE PINE AND LUCKY MAN: A HISTORY 1866-1885
LITTLE PINE AND LUCKY MAN: A HISTORY 1866-1885
By Peter Dodson
For Little Pine and Lucky Man First Nations

Heritage Publications

This program assists individuals and organizations in publishing new, well-documented material on the history, prehistory and heritage resources of Saskatchewan. The grant assists with printing costs, providing the proposal received the endorsement of the Canadian Plains Research Centre (CPRC), the Saskatchewan Indian Cultural Centre or other comparable institution. Manuscripts should be original and present new knowledge and/or interpretation of some aspect of Saskatchewan's heritage.

Two projects were approved this year.

Recipient	Project	Grant
Regina and District Old Timers Association	Regina Pioneer Biographies Booklets Volume 4	$ 1,000.00
Canadian Plains Research Centre	"Our Towns: The Places We Call Home" Publication	$ 5,000.00
Total Awards		**$ 6,000.00**



Regina Pioneer Biographies Booklet
Volume 4

Claybank Brick Plant National Historic Site of Canada

Funds were identified to assist with the stabilization, restoration and management of this National Historic Site and Provincial Heritage Property, owned by the Saskatchewan Heritage Foundation, and located 16 km west of Avonlea.

Recipient	Project	Grant
Claybank Brick Plant	Claybank Brick Plant Operation, Maintenance, Restoration and Interpretation, Rural Municipality of Elmsthorpe No. 100	

Total Allocation $167,500.00

Foundation Properties:

The former Claybank Brick Plant, located west of Avonlea, was acquired by the Heritage Foundatio through donation in 1992. Officially designated as a National Historic Site in 1994, the Brick Plant was subsequently recognized as a Provincial Heritage Property in 1998. The Plant, which operated continuously from its construction in 1912-14 to closure in 1989, represents a unique aspect of Saskatchewan's industrial heritage. During its years of operation, Claybank produced both refractory (heat resistant) bricks utilized for various industrial purposes across North America, as well as a variety of face brick featured in the construction of many private homes and prominent public buildings in Saskatchewan, and across Canada.

During 2003-04, further work was undertaken inside the former Bunk House, where a Childrens' Activity Room and additional washrooms were constructed in the basement, thanks to a grant of $48,000 from the SaskTel Pioneers. This new facility will significantly enhance the ability of the Claybank Brick Plant Historical Society to operate educational programs on a year-round basis.

In other restoration work, the base of Smoke Stack #3 was restored by Gracom Masonry. Jardine Construction (the on-site restoration crew) completed reparging the dome of Kiln #10, and the Benjamin Moore Community Restoration Program provided a grant of $2,500 to paint the Plant Garage and part of the Ball Mill Room.

Parks Canada historian Dr. C. James Taylor completed his corporate history of the site. Entitled "Claybank's Canada", this 43-page manuscript provides essential historical information for the interpretive program, and for researchers wishing to learn more about the business history of the Brick Plant.

Promotion of this industrial heritage site continues to be augmented by the Historical Society. This year, the site's entry in the Virtual Museums of Canada (VMC) was upgraded, and a grant of $5,000 was awarded to the Society under the VMC's Community Memories Program to enter 325 historic photos onto the federal website. Entitled "Its Just a Little Brick Plant in the Middle of Nowhere", the Claybank Brick Plant photos will be accessible on the Internet in 2004.

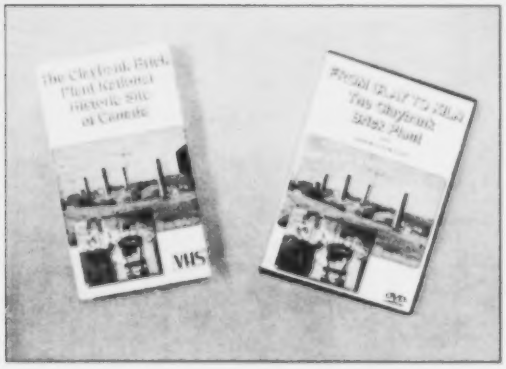
Other funding achievements for the Historical Society included a second donation of $25,000 from Jacqui Shumiatcher for operating the children's interpretive program, and hosting two horseback poker derbies. As well, over 4,200 people visited the site this past year, including a large number during the ever popular Heritage Day program on the last Sunday of June, 2003. On that occasion, the new Donor Recognition Wall, featuring the names of over 120 sponsors, was unveiled for public viewing.

As well, Access Communications of Regina completed a 30-minute documentary video on the site's history and development. This video has become a regular interpretive feature for visitors to enjoy as part of their tour of the site.

Finally, at the request of Parks Canada, an in-depth study of brick factories around the world was undertaken and a revised Nomination was submitted in support of the Province's application to see the Claybank Brick Plant designated as a World Heritage Site. A decision on whether or not Claybank will be included within Canada's 10-year Tentative List will be announced in 2004.

Claybank Brick Plant Photos

Mrs. Jacqui Shumiatcher working with school children in the Goodman Cottage;
and the nearly completed new Childrens' Activity Centre in the Bunk House Visitor Centre.



The new 30-minute documentary video;
and inspecting the restored base of Smoke Stack # 3.

SASKATCHEWAN HERITAGE FOUNDATION

FINANCIAL STATEMENTS

For the Year Ended March 31, 2004

Responsibility for Financial Statements

The accompanying Financial Statements have been prepared by management of the Saskatchewan Heritage Foundation. They have been prepared in accordance with generally accepted accounting principles in Canada, consistently applied, using management's best estimates and judgements where appropriate. Management is responsible for the reliability and integrity of the Financial Statements and other information contained in this Annual Report.

The Foundation's Board of Directors is responsible for overseeing the business affairs of the Heritage Foundation and has approved the Financial Statements for the year ending March 31, 2004.

Management maintains a system of internal controls to ensure the integrity of information that forms the basis of the Financial Statements. The internal controls provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly guarded against unauthorized use and that reliable records are maintained.

The Provincial Auditor of Saskatchewan has audited the Financial Statements. His report to the Members of the Legislative Assembly, stating the scope of his examination and opinion on the Financial Statements, appears below.

Dr. J. W. Brennan, Chairman

Garth Pugh, Manager

Regina, Saskatchewan
April 21, 2004

Auditor's Report

To the Members of the Legislative Assembly of Saskatchewan.

I have audited the statement of financial position of the Saskatchewan Heritage Foundation as at March 31, 2004 and the statements of operations and net financial assets, and cash flows for the year then ended. The Foundation's management is responsible for preparing these financial statements for Treasury Board's approval. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan
April 21, 2004

Fred Wendel, CMA, CA
Provincial Auditor

SASKATCHEWAN HERITAGE FOUNDATION
STATEMENT OF FINANCIAL POSITION
As at March 31

	2004	2003 Restated (Note 10)
ASSETS		
Current:		
Cash	$ --	$ 711
Due from General Revenue Fund (Note 3)	395,868	321,812
Due from Parks Canada (Note 5)	--	46,069
Advances	18,464	17,025
	$ 414,332	**$ 385,617**
LIABILITIES AND NET FINANCIAL ASSETS		
Current liabilities:		
Accounts payable	$ 521	$ 453
Unearned revenue	93,610	72,295
	94,131	72,748
Net financial assets (Statement 2)	320,201	312,869
	$ 414,332	**$ 385,617**

Commitments (Note 4)

(See accompanying notes to the financial statements)

SASKATCHEWAN HERITAGE FOUNDATION
STATEMENT OF OPERATIONS AND NET FINANCIAL ASSETS
For the Year Ended March 31

	2004		2003
	Budget (Note 8)	Actual	Actual Restated (Note 10)
Revenues:			
Transfers:			
Grant from General Revenue Fund – Department of Culture, Youth and Recreation	$ 345,000	$ 345,000	$ 345,000
Parks Canada (Note 5)	--	--	164,000
Claybank Brick Plant Historical Society (Note 5)	10,000	58,100	12,025
Kaplan Fund (Note 6)	--	31,517	6,950
Interest (Note 3)	6,625	9,428	9,632
Other	50,000	5,146	5,000
	411,625	**449,191**	**542,607**
Expenses:			
Heritage properties:			
Claybank Brick Plant (Note 5)	219,633	221,619	389,448
Other	262,000	185,223	272,379
Board travel and honoraria	23,950	22,073	24,700
Printing	6,300	4,164	6,513
Other	9,580	8,780	11,030
	521,463	441,859	704,070
(Deficit) Surplus for the year	$ (109,838)	7,332	(161,463)
Net financial assets, beginning of year, as previously reported		312,869	553,577
Restatement of Kaplan Fund contributions (Note 10)		--	(79,245)
Net financial assets, beginning of year, restated		312,869	474,332
Net financial assets, end of year – to Statement 1		**$ 320,201**	**$ 312,869**

(See accompanying notes to the financial statements)

SASKATCHEWAN HERITAGE FOUNDATION
STATEMENT OF CASH FLOWS
For the Year Ended March 31

	2004	2003
Cash flows from (used in) operating activities:		
Grant from General Revenue Fund – Department of Culture, Youth and Recreation	$ 345,000	$ 345,000
Receipts from Parks Canada	46,069	221,210
Receipts from Claybank Brick Plant Historical Society	58,100	75,442
Receipts from Kaplan Fund	52,832	--
Interest received	9,428	9,632
Other revenue received	5,146	5,000
Payments relating to Claybank Brick Plant	(222,072)	(389,295)
Payments to recipients of heritage property funding	(186,662)	(273,105)
Payments for board travel and honoraria	(21,552)	(24,700)
Payments to suppliers	(12,944)	(17,543)
Net increase (decrease) in cash	73,345	(48,359)
Cash and cash equivalents, beginning of year	322,523	370,882
Cash and cash equivalents, end of year	$ 395,868	$ 322,523
Cash and cash equivalents consist of:		
Cash	$ --	$ 711
Due from General Revenue Fund	395,868	321,812
	$ 395,868	**$ 322,523**

(See accompanying notes to the financial statements)

SASKATCHEWAN HERITAGE FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2004

1. Authority

The Saskatchewan Heritage Foundation (Foundation) was established under the authority of *The Saskatchewan Heritage Foundation Act* effective February 18, 1991. The Foundation works in close consultation with the Heritage Resources Branch of the Department of Culture, Youth and Recreation. The Foundation provides financial support for community-based heritage projects which conserve, restore, develop and interpret Saskatchewan's rich heritage resources.

The Foundation is managed by the Saskatchewan Heritage Foundation Board.

Since its inception in 1991, the Foundation has received through donations, and acquired, a number of historic artifacts. The Foundation has asked the Royal Saskatchewan Museum to store most of these artifacts. The Foundation has allowed the Royal Saskatchewan Museum to display some of these items.

2. Significant Accounting Policies

The financial statements are prepared in accordance with Canadian generally accepted accounting principles. The following policies are considered significant:

a) Heritage Properties

The cost incurred to restore and develop the Claybank Brick Plant is expensed in the year the services are rendered and/or goods received.

Other heritage projects that the Foundation supports are recorded as an expense when recipients incur eligible expenses for projects approved by the Foundation Board.

Donated heritage properties, materials and services are not recorded.

Heritage Properties purchased by the Foundation are expensed when acquired.

b) Revenue

Transfers are recognized as revenue when the transfers are authorized and any eligibility criteria are met.

c) Advances

Amounts paid to organizations for projects related to heritage properties are recorded as advances until the recipient organizations incur the eligible expenses.

d) Cash and Cash Equivalents

Cash consists of balances with the bank and due from the General Revenue Fund.

3. Due From General Revenue Fund

The Foundation's bank accounts are included in the Consolidated Offset Bank Concentration (COBC) arrangement for the Government of Saskatchewan.

The Foundation's earned interest is calculated and paid by the General Revenue Fund on a quarterly basis using the Government's thirty day borrowing rate and the Foundation's average daily bank account balance. The Government's average thirty day borrowing rate for 2004 is 2.79% (2003 – 2.62%).

4. Commitments

The Foundation has multi-year grant commitments at year end totalling $291,827 (2003 - $288,711). The Foundation Board has approved these heritage projects but no monies have been paid or eligible expenses incurred.

5. Claybank Brick Plant

The Claybank Brick Plant (Plant), including land, was donated to the Foundation in 1992. In 1994, the Plant was designated as a National Historic Site. The Foundation incurs restoration costs and seeks contributions from other organizations to recover a portion of those costs.

The Claybank Brick Plant Historical Society (Society) donates material and services to the Foundation to achieve the common goal of developing the Plant as a tourist attraction. The Foundation has an agreement with the Society which requires that funds generated by the Society, to restore the Site, shall be directed to the Foundation. The majority of the Society's funding is obtained through cost sharing agreements with federal government agencies.

Parks Canada

The Foundation entered a five year funding agreement with Parks Canada, commencing March 30, 1999, for a maximum funding of $954,500 to help cover the costs of restoring the Site. Parks Canada reimburses one-half of the eligible costs up to a limit specified for each fiscal year.

6. Kaplan Fund

The J.M. Kaplan Fund is a family foundation, based in New York, which administers a conservation program to help restore and protect the natural and historic legacies of the North American continent. The Kaplan Fund gives a donation to the Foundation for preserving historic churches and historic sites. The Kaplan Fund has agreed to pay one-half of the eligible costs incurred by the Foundation for eligible projects.

7. Financial Instruments

The Foundation's financial instruments include due from General Revenue Fund, due from Parks Canada, and accounts payable. The fair value of these instruments approximates carrying value due to their immediate or short-term maturity.

The Foundation is exposed to credit risk from the potential default of contributors. However, the majority of the Foundation's receivables are from other government agencies, therefore, the credit risk is minimal.

8. Budget

The Saskatchewan Heritage Foundation Board approved the 2003/04 budget.

9. Related Party Transactions

Included in these financial statements are transactions with various Saskatchewan Crown corporations, departments, agencies and boards related to the Foundation by virtue of common control by the Government of Saskatchewan. Also, the Foundation is related to non-Crown enterprises that the Government jointly owns or significantly influences.

Routine operating transactions with related parties are recorded at rates charged by those organizations and are settled on normal trade terms. These transactions, and amounts outstanding at year end, are as follows:

Category		2004	2003
Expenses	- Claybank Brick Plant	$ 21,454	$15,367
	- Other heritage property	1,798	440
	- Board travel and honoraria	1,655	467
Accounts payable		521	--

The Foundation pays Provincial Sales Tax to the Saskatchewan Department of Finance on all its taxable purchases. Taxes paid are recorded as part of the cost of those purchases.

In accordance with established government practice, the Foundation has not been charged with certain administrative and occupancy costs and no provision for such costs is reflected in these statements. These costs are borne by the Department of Culture, Youth and Recreation from monies appropriated by the Legislature for such purposes.

Other transactions with related parties and amounts due to or from them are described separately in the financial statements and notes.

10. Restatement of Kaplan Fund Contributions

In previous years, contributions from the Kaplan Fund were incorrectly recognized as revenue when received. These amounts are now recognized as unearned revenue until the fiscal period in which the expenses are incurred. This change has been applied retroactively.

The impact of this change for 2003 has been to increase unearned revenue by $72,295, increase revenues by $6,950 and decrease net financial assets at April 1, 2002 by $79,245.

Supplementary Financial Information (unaudited)

Personal Services

Listed are individuals who received payments for salaries, wages, honorariums, etc., which total $2,500.00 or more.

3rd Eye Media Productions Inc.	3,500.00
Avonlea & District Museum	3,299.79
Avonlea Cooperative	2,811.44
Barb Campbell	2,500.00
Garth Pugh	3,268.28
Hoover Tank Services	2,670.00
Humboldt & District Museum	4,276.84
Nicor Commercial Property	3,775.05
Print-It Centres	3,794.80
RSM Associates	3,000.00
SIAST – Woodland Campus	2,913.00
Societe historique de la Saskatchewan	3,000.00
Town of Gravelbourg	2,500.00
Willow Bunch Trading Post	2,564.00
	$ 43,873.20

Transfers

Listed are transfers to recipients who received $5,000.00 or more.

Cook's McCallum Hill Insurance	9,088.00
Duck Lake & Dist. Lions Club	5,000.00
Heritage Regina	7,500.00
Honeywood Heritage Nursery	10,000.00
Knox-Metropolitan United Church	10,000.00
LaRonge Historical Society	5,000.00
Meewasin Valley Authority	5,000.00
Moose Jaw Sash & Door	5,930.70
National Doukhobour Heritage Village	12,000.00
Perkins Refrigeration	13,000.00
R.J. Electric	19,748.20
Robert Gardikiotis	10,000.00
Saskatchewan Indian Cultural Centre	10,000.00
SaskPower	13,029.63
Strathdee Condominium Corporation	5,000.00
Tinker's Welding Shop	12,127.70
Town of Rockglen	12,136.20
University of Regina	11,500.00
University of Saskatchewan	15,037.82
Village of Theodore	6,000.00
Westrum Lumber	6,127.73
	$203,225.98

Supplier Payments

Listed are payees who received $20,000.00 or more for the provision of goods and services, including office supplies, communications; contracts and equipment.

Claybank Brick Plant Historical Society	47,094.38
Friends of the Broadway Theatre	28,500.00
Gracom/BFI	69,390.00
Imhoff Museum and Art Gallery	20,000.00
Investors Group Trust Co. Ltd.	40,000.00
Jardine Construction Ltd.	142,174.61
K-1 Plumbing & Heating Ltd.	20,272.74
PCL Maxam	23,800.00
	$391,231.73

FRONT COVER ILLUSTRATIONS:

Top: Symons Oil Can Factory, Rocanville
Bottom Left: The Saskatchewan Homestead Index Project
Bottom Right: Brick laying demonstration by Gracom at Claybank Brick Plant

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Page 12	left – Grand Coteau Heritage & Cultural Centre , Shaunavon middle – Saskatchewan Genealogical Society, Regina right – City of Weyburn
Page 13	Little Pine and Lucky Man First Nations
Page 14	Regina and District Old Timers Association
Page 16	top right – Hilda Maier, Claybank top left – Bill Jardine, Claybank bottom left – Frank Korvemaker, Saskatchewan Heritage Foundation bottom right – Sally Stenko, Claybank

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SASKATCHEWAN HERITAGE FOUNDATION